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SIPDIS

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SUBJECT: EU UNEMPLOYMENT UP TO 8.3 PERCENT; EURO ZONE RATE UP TO
8.9 PERCENT

¶1. SUMMARY. The latest EU unemployment data as released by the EU Commission's Statistical Office (EUROSTAT) on April 30 showed a further dramatic deterioration of the EU labor market situation. The aggregate unemployment rate for the EU-27 soared to 8.3 percent in March 2009 (up from 8.1 percent in February). Unemployment in the euro zone (the 16 EU countries currently participating in the euro) increased to 8.9 in March 2009, also up by 0.2 percentage point over the previous month. END SUMMARY.

¶2. With seasonal adjustment and compensation for differences in national statistical methods, the unemployment rate for the EU-27 stood at 8.3 percent in March 2009, up from 8.1 percent in February 2009 (revised upward from initial 7.9 estimate) and from 6.7 percent in March 2008. The unemployment rate for the euro zone stood at 8.9 percent in March 2009, up from 8.7 percent in February 2009 (also revised upward from initial 8.5 percent estimate) and from 7.2 percent in March 2008 (comparison based on EU-16; euro zone membership effective in March 2009).

¶3. The lowest monthly rate among those compiled by EUROSTAT from the EU-27 for March 2009 was recorded in the Netherlands (2.8 percent), while the highest rates were recorded in Spain (17.4 percent), Latvia (16.1 percent) and Lithuania (15.5 percent).

¶4. EUROSTAT data showed only three countries among the EU-27 recording a decrease in their unemployment rate over a year, while twenty-three showed an increase and one recorded no change. The only falls occurred in Romania (from 6.1 percent to 5.8 percent between the fourth quarters of 2007 and 2008), Bulgaria (from 6.1 percent in March 2008 to 5.9 percent in March 2009) and Greece (from 7.9 percent to 7.8 percent between the fourth quarters of 2007 and 2008). The sharpest increases occurred between March 2008 and March 2009 in Lithuania (from 4.3 percent to 15.5 percent), Latvia (from 6.1 percent to 16.1 percent) and Spain (from 9.5 percent to 17.4 percent).

¶5. Based on EUROSTAT estimates, male unemployment reached 8.3 percent in March 2009 for the EU-27 and 8.6 percent for the euro zone, up 2.1 percentage point for both areas when compared to March 2008. The female unemployment rate for March 2009 reached 8.3 percent as well for the EU-27 and 9.2 percent for the euro zone, up 1.0 percentage point for both areas over the twelve-month period.

¶6. Unemployment rates among young people under 25 for March 2009 ranged from 5.7 percent in the Netherlands to 35.4 percent in Spain. The March 2009 rate for this age group was estimated at 18.3 percent for the EU-27 and at 18.1 percent for the euro zone, compared to 14.6 percent (plus plus 3.7 percentage point) and 14.5 percent (plus 3.6 percentage point) respectively for March 2008.

¶7. EUROSTAT estimated that 20.154 million were

unemployed in the EU-27 in March 2009, of which 14.158 million in the euro zone. In absolute numbers, the number of unemployed increased by 4,061,000 for the EU-27 and by 2,816,00 for the euro zone over the twelve-month period.

18. Following is the breakdown of unemployment rates in ascending order for the individual EU member states:

(Seasonally-adjusted)

(March 2009 rates unless otherwise indicated)

Netherlands	2.8
Austria	4.5
Cyprus	4.9
Slovenia	5.0
Czech Republic	5.5
Denmark	5.7
Romania	5.8 (fourth quarter 2008)
Bulgaria	5.9
Luxembourg	6.1
UK	6.6 (January 2009)
Malta	6.7
Italy	6.9 (fourth quarter 2008)
Belgium	7.3
Finland	7.4
Germany	7.6
Poland	7.7
Greece	7.8 (fourth quarter 2008)
Sweden	8.0
Portugal	8.5
France	8.8
Hungary	9.2

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Slovakia	10.5
Ireland	10.6
Estonia	11.1
Lithuania	15.6
Latvia	16.1
Spain	17.4

EU-27	8.3
Euro zone	8.9

19. The monthly rates and numbers of unemployed are estimated and based on data from the EU labor force survey. The estimated rates may differ from national unemployment rates due to differences in methods and definitions of unemployment. Unemployed people according to ILO criteria are those aged 15 and over who:

-- Are without work;

-- Are available to start work within the next two weeks; and

-- Have actively sought employment at some time during the previous four weeks.

MURRAY